

**MINUTES
QUARTERLY MEETING
ARKANSAS WORKFORCE INVESTMENT BOARD
July 13, 2004**

Chairman Steve Lux called to order a meeting of the Arkansas Workforce Investment Board, at 9:00 a.m. on Tuesday, July 13, 2004, held at the Embassy Suites Hotel, Little Rock, Arkansas. Members who were able to participate were Ms. Terrie Baker, Ms. Leanne Bird, proxy for Ms. Linda Beene, Mr. Bobby Blount, Ms. Candis Collins, Mr. Larry Featherstone, Dr. Steve Franks, Mr. Steve Lux, Mr. Harold Majors, Mr. Mike Norton, Mr. Dalton Price, Judge Frank Scroggins, Mr. Jim Smith, Mr. Steve Sparks, proxy for Mr. Larry Walther, Dr. Frieda Tirado, Mr. Artee Williams and Mr. John Wyvill. Mr. Tom Anderson, Senator Gilbert Baker, Representative Mary Beth Green, Governor Mike Huckabee, Mr. Alan Hughes, Ms. Catherine Janosky, Representative Calvin Johnson, Mr. Kurt Knickrehm, Mr. Jim Knight, Mr. Ken Milbrodt, Mr. Eddie Miller, Mr. Jim Putlak, Ms. Arnessa Staten, Mr. Larry Walther, and Representative Robert White were unable to attend. Approximately 25 representatives from the public were present. Ms. Lucretia Norris of the Governor's Office and Ms. Jessica Caldwell and Mr. Greg Kirkpatrick, Director and Deputy Director, Transitional Employment Board, also attended.

Mr. Lux began by welcoming members to the meeting.

Action Item 1 - Minutes: Chairman Lux directed the attention of the Board members to the minutes of the June 8, 2004 Executive Committee meeting, tab 1 of the agenda book.

Mr. Mike Norton asked about the page order of the minutes. Apparently, the copy of his agenda was missing page 4 of the June 8, 2004 Executive Committee meeting minutes. Ms. Varner said that staff would provide him with a corrected copy of the minutes.

The minutes were approved on a motion made by Jim Smith, seconded by Dr. Steve Franks, and carried unanimously.

Action Item 2: Ratification of Executive Committee Actions: Chairman Lux directed the attention of Board members to action item 2 of the agenda, Ratification of Executive Committee Actions.

Chairman Lux stated the agenda item was ratification by consent. Therefore, only one motion to approve all five ratification items was necessary.

Mr. Bobby Blount made a motion to approve the Ratification of Executive Committee actions; Mr. Larry Featherstone seconded, and the motion was carried unanimously.

Report of Executive Director: Chairman Lux asked Ms. Varner for the Executive Director's report. Ms. Varner began by asking Ms. Sharon Robinette to provide an update on America's Job Link, the new operations and management information system that will replace the Arkansas Workforce Investment System (AWIS). She explained that the contract has to be reviewed by the legislative council, and if the legislative council provides a favorable review the contract process should begin by the end of July.

Ms. Varner then stated that Ms. Jean Ann Reed met with the Nursing Commission to discuss strategies and grant opportunities to assist in finding solutions for the nursing shortage in Arkansas.

She then informed the Board that she would be meeting with the Arkansas Geographic Information Office to develop a partnership to address excessive turnover in county mapping personnel, and insufficient funds for training.

Next, Ms. Varner reported the status of the Arkansas Workforce Center certification policy. She explained that the state board staff is reviewing submissions from local workforce investment areas that were due on July 1, 2004. A few local workforce investment areas have requested additional time to complete the requirements for certification. Ms. Varner reported that staff would be providing technical assistance to those areas that have not completed their certification.

She then informed the Board that she and Mr. Artee Williams were going to speak at the Workforce Partnerships Conference sponsored by the Department of Human Services on July 15, 2004 about current activities of both agencies.

Ms. Varner presented to the Board the final audit report and discussed the issues in the report that related to the Board. She informed the Board that the auditors recommended that an Attorney General's opinion be obtained regarding the allowability of the integration of AWIB and AESD employees. Ms. Varner stated that Department of Labor Representatives from Region IV were scheduled to arrive July 20, 2004 to provide guidance regarding WIA program related practices mentioned in the audit report. She also informed the Board that other areas reviewed by auditors relating to the Board included Memorandums of Understanding (MOU), Use of Federal Funds to Implement the Incumbent Worker Training Program (IWTP), and an informational item on AWIB and Local Workforce Investment Areas Administrative Costs. A copy of the Special Report was provided to Board members who attended the meeting.

Mr. Bobby Blount asked what the cost of the audit was to the agency. Mr. Bryan Hicks, AESD Assistant Director, Financial Management, notified the Board that there was no cost to either agency, AWIB or AESD.

Ms. Varner next explained that the award of any new IWTP grants would be postponed until the Department of Labor conducted a review of the current process. Chairman Lux provided a brief update explaining that the Board approved an allocation of an additional \$500,000 directed toward high growth industries. Mr. Sparks asked whether there were any guidelines on the additional funding for IWTP grants. Chairman Lux and Ms. Varner explained that there are additional guidelines that include a limit of \$30,000 per

company and that a company provides a 50/50 match of funds. Dr. Tirado asked how much the Board budget is per year. Ms. Varner stated the Board receives approximately \$3.5 million per year for statewide activities.

Action Item 3 – Proposal for Change of State Minimum Performance Standards

Required by Eligible Training Providers: Chairman Lux asked the members to turn to action item 3 of the agenda book to review the Proposal for Change of State Minimum Performance Standards Required by Eligible Training Providers.

Ms. Sharon Robinette explained in order to maintain an adequate number of training providers and courses on the Eligible Training Provider List, the Labor Market Information (LMI) staff are proposing changes to the State minimum levels of performance required for subsequent eligibility determination. Ms. Robinette provided an explanation of the proposed changes.

She explained the first proposed change is in reference to the current process that training providers are required to meet or exceed State minimum levels for all three *All Participant* performance measures. She stated the proposed change would require training providers to meet or exceed State minimum levels for at least two of the three *All Participant* performance measures.

She then explained the second proposed change is in reference to training providers being required to meet or exceed State minimum levels for all four of the required *WIA Participant* performance measures. She stated training providers are also required to meet or exceed State minimum levels for the licensure and certification measures if applicable to the program.

She stated the proposed change requires training providers to meet or exceed State minimum levels for at least two of the four *WIA Participant* performance measures that are required for all programs.

Ms. Robinette also stated the following *WIA Participant* performance measures, rate of licensure and rate of certification of participant graduates of the applicable program, are not required for all programs, but that training providers will now be required to report their data where appropriate.

There was some discussion about the impact of the changes on the proposed providers. Mr. Ron White, Labor Market Information Section, explained the data would not to be captured until the second year of (subsequent eligibility). Mr. Sparks asked whether the providers could be surveyed to determine the impact. Mr. Steve Lease, Arkansas Association of Two-year Colleges, from the audience, stated he applauded the change because it was more reasonable. Dr. Tirado asked whether the standards may be increased over time. Mr. White explained that the Board does have the option to increase the standard if it is determined necessary. Chairman Lux stated ETP policies may get changed with reauthorization of WIA, and Ms. Robinette stated this is a nationwide issue.

Judge Frank Scroggins made a motion to accept the recommendation to approve two changes to the minimum performance standards for the Eligible Training

Provider list as developed under the Workforce Investment Act guidelines; Mr. Mike Norton seconded, and the motion was carried unanimously.

Action Item 4 – Revision to the Northwest Arkansas Local Five-Year Plan: Chairman Lux requested that members turn to action item 4 of the agenda book.

Mr. Ron Snead explained that in an effort to encourage more participation by local training providers, Northwest Arkansas proposes to adopt the state minimum performance levels for Eligible Training Providers on the performance standards affecting all students which include program completion rate, employment rate, and average wage at placement. Programs to be included on the list must meet minimum performance standards set by the LWIBs and the State of Arkansas. He explained that the Northwest Arkansas LWIB is trying to be less restrictive on their program requirements. He also pointed out that this was the only area that originally set a higher standard than the state standard.

Mr. John Wyvill made a motion to accept the recommendation to approve the revision of the Northwest Arkansas Local Five-Year Plan to bring performance levels in line with state levels, thereby allowing more customer choice of programs as provided by local training institutions; Judge Frank Scroggins seconded. Mr. Mike Norton requested the record reflect he abstained from voting since he is the Board Administrator for Northwest Arkansas. The motion carried.

Action Item 5 – Workforce Investment Act Title IB Sanctions Policy: Chairman Lux asked the members to turn to action item 5 of the agenda book.

Mr. Elroy Willoughby explained the purpose of the Sanctions Policy regarding Workforce Investment Act (WIA) Title IB activities in Arkansas is to provide clarification and ensure conformity to the Workforce Investment Act's overarching goal of increased accountability among recipients and sub-recipients of WIA funds. Mr. Willoughby stated that this would be a change to the Strategic Five Year Plan for WIA Title I. Chairman Lux reiterated that this draft of the sanctions policy is a combination of the old and new, based on experiences, and recommendations from the Department of Labor Regional representative. He also clarified that this is a temporary document to be released for public comment. Mr. Willoughby explained any comments received by the public would be considered in developing the final version of the policy.

Mr. Norton asked whether the AWIB was targeting the local workforce investment boards. Mr. Willoughby stated that the AWIB does not have oversight of non-WIA funds, and therefore, this document would relate to LWIBs. Ms. Varner stated there is a national sanctions policy. Dr. Tirado asked whether the AWIB has oversight of the LWIBs. Chairman Lux stated the AWIB is responsible for providing guidelines. Dr. Tirado then asked whether the Board received reports from the local areas. Ms. Varner explained that the state routinely performs monitoring of each local area's operating, as well as, monitors the performance of each area.

Mr. John Wyvill made a motion to accept the recommendation to approve the release of the draft Sanctions Policy regarding Workforce Investment Act (WIA)

Title IB activities in Arkansas for *public comment*; Mr. Bobby Blount seconded, and the motion was carried unanimously.

Information Item 6 – Presentation on Career Exploration Products and Services Provided to Arkansas Students, Teachers, and Citizens: Chairman Lux asked the members to turn to information item 6 of the agenda book.

He explained that at the June 8, 2004 Executive Committee meeting, Board members requested staff research current programs supporting careers that do not require a post secondary degree and how those degrees are communicated to high school students.

Mr. Ron White, Labor Market Information Occupational-Career Information Manager, presented the board with information about the different career products and services that the Labor Market Information Section produces and supplies to students, teachers, and citizens of Arkansas for career exploration.

Mr. Ron White discussed products such as the Career Watch Magazine and internet site, the Career Watch Teacher's Guide, a 9 CD set of career videos, a CD titled *Top Ten Occupations by Education Level*, and ArkOSCAR, which is Arkansas' Internet Career Inventory Delivery System.

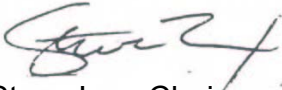
Board members were impressed with the information Mr. White provided. Mr. Dalton Price commented that this was the best presentation he had ever seen at any Board meeting during his tenure as an AWIB member. Mr. Blount asked whether these resources were being used to the fullest extent possible, and suggested the Board staff gather testimony to share with the Board. Other Board members agreed that they would like to hear testimony also. Mr. Jim Smith asked whether *Career Watch* is available on the Internet and how it was tied into a search engine. Mr. White explained *Career Watch* is available on the Internet and is linked with a variety of words through search engines. Mr. Blount asked whether career watch was linked with all Employment Security Department offices. Mr. White explained there is a link to *Career Watch* from the AESD web page.

Ms. Jean Ann Reed presented information about a Department of Labor website entitled Career Voyages, that contains career information about high-growth industries and high-demand occupations. She provided a hands-on demonstration of the career voyages web site.

Also, Dr. Steve Franks, Director, Department of Workforce Education, and Ms. Susan Prater, Department of Workforce Education, Career Orientation Program Advisor, discussed other resources available to individuals, to include information about the career action-planning model and Kuder Career Planning System, an electronic career portfolio for students.

Announcements: Chairman Lux announced that next month's meeting would be an Executive Committee Meeting, to be held Tuesday, August 10, 2004, at 9:00 a.m., by teleconference.

Adjourn: With no other announcements or questions, **Chairman Lux adjourned the meeting at 11:17 a.m.**

A handwritten signature in black ink, appearing to read "Steve Lux".

Steve Lux, Chairman

A handwritten signature in black ink, appearing to read "Sandra Winston".

Sandra Winston, Executive Director

*Minutes recorded by Stephanie Carlo
Workforce Investment Board Staff*